

MICHIGAN DEPARTMENT OF COMMUNITY HEALTH

NOTICE OF PROPOSED POLICY

Public Act 280 of 1939, as amended, and consultation guidelines for Medicaid policy provide an opportunity to review proposed changes in Medicaid policies and procedures.

Please review the policy summary and the attached materials that describe the specific changes being proposed. Let us know why you support the change or oppose the change.

Submit your comments to the analyst by the due date specified. Your comments must be received by the due date to be considered for the final policy bulletin.

Thank you for participating in the consultation process.



Director, Program Policy Division
Bureau of Medicaid Policy and Health System Innovation

Project Number:	1505-Eligibility	Comments Due:	April 28, 2015	Proposed Effective Date:	June 1, 2015
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Mail Comments to: Eligibility Policy
Bureau of Medicaid Policy and Health System Innovation
Medical Services Administration
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Policy Subject: Eligibility Criteria for the Freedom to Work Program

Affected Programs: Supplemental Security Income (SSI)-Related Medicaid

Distribution: Bridges Eligibility Manual (BEM) Holders

Policy Summary: This policy describes changes to income and asset limits for the Freedom to Work Program, as well as changes to the premium calculation methodology to align with state law.

Purpose: These changes to the Freedom to Work Program are mandated by changes to state law.

Proposed Policy Draft

Michigan Department of Community Health
Medical Services Administration

Distribution: Bridges Eligibility Manual (BEM) Holders

Issued: May 1, 2015 (Proposed)

Subject: Eligibility Criteria for the Freedom to Work Program

Effective: June 1, 2015 (Proposed)

Programs Affected: Supplemental Security Income (SSI)-Related Medicaid

This bulletin is being issued to publish the changes to the Freedom to Work Program made in Public Act No. 518 of 2014, which amends Public Act 280 of 1939. The changes to the Freedom to Work Program encompass the asset and income tests for eligibility, as well as the calculation of the premium payment sliding scale.

Asset and Income Tests

The current asset test for Freedom to Work is limited to \$2,000 of countable assets, which aligns with other Supplemental Security Income (SSI)-related Medicaid categories. The new asset test will align with the Medicare Savings Program limit which, in 2015 is \$7,280 of countable assets. The asset limit will adjust annually effective January 1 of each year. The Medicare Savings Program asset limit is published by the federal government. This legislation does not make changes in the types of assets that are countable or excludable for the Freedom to Work Program.

Accumulated assets that are excluded (not countable) from the Freedom to Work Program while the individual is enrolled in the Freedom to Work Program will continue to be excluded if the beneficiary loses eligibility for the Freedom to Work program and has a determination of eligibility in another SSI-related Medicaid category.

The income limit changes from the current 100% of the Federal Poverty Level of unearned income to 250% of the Federal Poverty Level of countable income for a group of one. There are no other changes to the income limit for Freedom to Work Program.

Calculation of the Premium Payments

The premium fees scale for Freedom to Work participants changes as follows:

- There will be no premium for individuals with a modified adjusted gross income (MAGI) less than 138% of the Federal Poverty Level for a group of one.
- A premium of 2.5% of MAGI income per month will be assessed for individuals who have a total MAGI income between 138% of the Federal Poverty Level and \$75,000 annual MAGI income.
- A premium of 100% of the average Freedom to Work Program participant cost will be assessed for an enrolled individual with a MAGI income over \$75,000 annually.

Failure to pay premiums will result in loss of Medicaid coverage under the Freedom to Work Program.